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UNCLAS SECTION 01 OF 02 PORT OF SPAIN 000297

SIPDIS SENSITIVE

STATE FOR WHA/CAR, WHA/EPSC, INR/IAA AND EEB/TPP/BTA PASS USTR FOR E.EISSENSTAT AND K.SHIGETOMI NSC FOR V. ALVARADO USDOC/ITA/LATIN AMERICA & CARIBBEAN - G.WORD, M.BROOKS

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SUBJECT: GSP GRADUATION SETS OFF TRADE TALK DISCUSSIONS AT ANNUAL CARICOM HEADS MEETING

REF: (A) PORT OF SPAIN 295 (B) PORT OF SPAIN 289

- (C) PORT OF SPAIN 288 (D) STATE 69093(NOTAL)
- (E) STATE 69707

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11. (SBU) SUMMARY: News of Trinidad and Tobago's GSP graduation led to a trade discussion among CARICOM leaders gathered in Antigua in early July, according to Foreign Minister Paula Gopee-Scoon. The leaders' consensus was the region needs to negotiate now a more "predictable" trade relationship with the U.S. and cannot wait until CBI/CBTPA is about to expire in 2010. Admitting her Ministry is not the trade lead, and being somewhat unclear, the FM implied T&T might be willing to negotiate alone with the USG on such issues. This is the fourth time in recent weeks T&T officials have raised trade concerns with us. Within existing political and manpower constraints, Post recommends USTR and State consider responding to these importunings by reengaging T&T on trade matters. END SUMMARY.

A GSP Surprise

¶2. (SBU) Foreign Minister Paula Gopee-Scoon told DCM July 5 that Trinidad's GSP graduation led to a lengthy trade conversation among CARICOM leaders who just finished their annual meeting in Antigua. Speaking shortly after her return to T&T, and on the margins of the Venezuelan National Day reception, the FM explained that the graduation had come as a surprise.

A More Predictable Trade Relationship

13. (SBU) The FM continued that she did have time to talk to PM Manning on the way to Antigua, based on her conversation with the Ambassador, but granted that neither he nor other CARICOM leaders fully grasped at the time of their meeting what the graduation meant. That understanding came later to Manning, upon further research and briefings by other Cabinet members. Nonetheless, the assembled Caribbean leaders took the graduation news as a wake-up call that "a more predictable" trade relationship with the U.S. must be negotiated. The region should not be subject to unilateral U.S. actions and this can only be avoided through a negotiated trade pact, she stated.

Bilaterally or Multilaterally?

14. (SBU) Asked if such a pact, if feasible, would be negotiated with CARICOM as a group or bilaterally with T&T, the FM hesitated and did not clearly respond. She did add, however, that only Trinidad and one other CARICOM country really are in a position to negotiate with the U.S. so that even if talks were formally multilateral (i.e., with CARICOM) they would really be almost bilateral in nature.

15. (SBU) The DCM then noted that negotiating with CARICOM has been slow and not overly productive, witness the TIFA. The FM was not aware of the TIFA and granted that she was really straying into the Trade Ministry's area, but implied her comments flowed from the PM's words at the Antigua meetings. In closing, and emphasizing he was speaking personally, the DCM cautioned that the U.S. electoral calendar and change of Administrations might make any in-depth trade discussions over the coming months difficult to pursue. In response, the FM said she was aware of that, but with CBI expiring in 2010, T&T and CARICOM "could not afford to waste any time."

Comment: Time to Engage, if Feasible

- 16. (SBU) COMMENT: While admitting that hers is not the guiding Cabinet trade voice, the FM's comments represent at least the fourth time in recent weeks that T&T officials have raised this topic (two of these conversations -- refs c and d -- directly involved the PM). Thinking here does not appear fully congealed around what this might mean (other than further unilateral trade concessions such as on packaging of goods) or whether T&T would go alone into talks or seek a CARICOM format (especially now that a T&T national reportedly has been named to head the CRNM).
- 17. (SBU) Recognizing the potential political and human resource constraints involved in possibly beginning trade talks bilaterally or multilaterally, Post suggests that Washington agencies consider engaging the GOTT on trade issues in an exploratory and fact-finding mode. Doing so would send a signal of our responsiveness, clarify GOTT intentions, gauge how ready the country/region is for in-depth talks at a later date (the regional back-and-forth on the EPA suggests some

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caution here), and instill a greater sense of reality and understanding over what is and is not feasible. This conversation, which initially need not be at a high level and could touch on GSP (ref e) and broader matters, could be held in Washington or Port of Spain [or by DVC, though a face-to-face meeting is preferable]. Post would welcome USG visitors if that decision were made.

AUSTIN